#### **FY 2004 Performance Priorities for the Regions**

AAship: OW

Over the thirty years since enactment of the Clean Water Act and Safe Drinking Water Act, government, citizens, and the private sector have worked together to make dramatic progress in improving the quality of surface waters and drinking water.

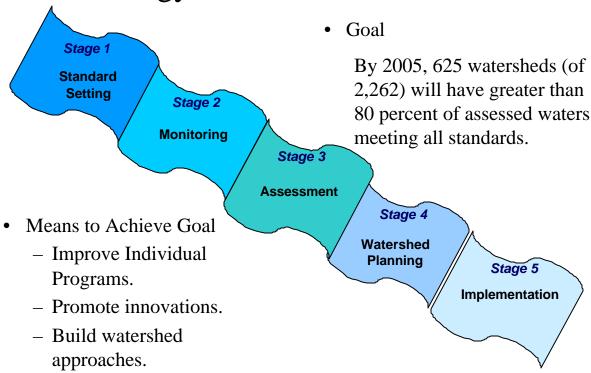
Much of the dramatic progress in improving the nation's water quality over the past 30 years is directly attributable to our investment in water infrastructure. But the job is far from over. Communities are challenged to find the fiscal resources to replace aging infrastructure, to meet growing infrastructure demands fueled by population growth, and to secure their water and wastewater infrastructure against threats. Our strategy is to help local governments meet these challenges in fiscally responsible and sustainable ways. We will continue to work with Congress to support workable SRF loan conditions tied to the fiscal sustainability of utilities.

One reason reducing risk to ecosystems is so daunting is that we – EPA – share much of the responsibility with others. To speed up progress in reducing harmful nutrient runoff from agricultural sources, we need to forge strategic partnerships with a broad range of agricultural interests at all levels – here in Washington and in counties across America – to ensure that EPA and USDA target their resources in complementary ways.

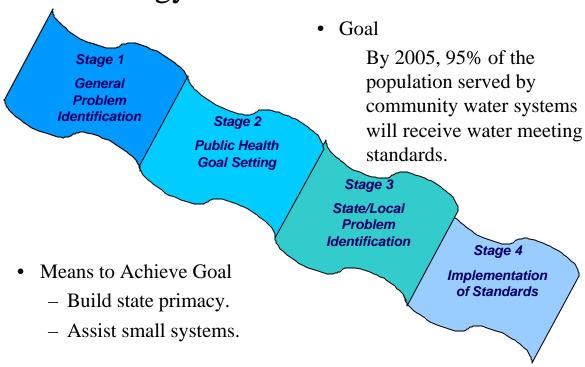
We find ourselves in the Age of Information with a dearth of essential, scientifically defensible data and information to manage our programs. It is imperative that we close these information gaps as quickly as possible: they may lead to market and regulatory failures, thwart our ability to document progress, and limit our ability to effectively target our scarce resources.

As we strengthen and accelerate our efforts to implement TMDLs on a watershed basis, let's take full advantage of innovations such as trading and watershed-based permitting. Trading is a valuable tool to more cost-effectively implement TMDLs, and to enable communities to grow and prosper while retaining their commitment to water quality. Trading can also be an appropriate mechanism in the pre-TMDL context, if the right conditions are met. Both trading programs and watershed-based permitting have an additional advantage: they help generate more holistic, integrated data on water quality. We can also use source water assessments to guide investments to protect drinking water.

# Strategy to Achieve Clean Water



## Strategy to Achieve Safe Water



#### (1) Performance Priority: Water Quality Standards

There is a significant backlog in approval/disapproval decisions, unresolved outstanding disapprovals, and uncompleted ESA consultations. The processing time to review and approve/disapprove new or revised water quality standards submissions is too long.

Performance Expectations for Regions: In FY 04, EPA will work with more States to reduce the time it takes to review and revise their water quality standards, from a current average of 4-5 years down closer to the statutory requirement of once every three years. The programmatic goal is to reduce the processing time to review and approve/disapprove new or revised water quality standards submissions, so that 75% are completed within 90 days and 90% are reviewed within one year.

#### (2) Performance Priority: Monitoring and Assessment

Only a small percentage (19% for rivers and streams) of U.S. waters are assessed for the National Water Quality Inventory. Only about half of these assessments are based on current, site-specific monitoring information. Most monitoring is not done in a way that allows for statistically valid assessments of water quality conditions in unmonitored waters. There is considerable variation in the analytical methods that states use to evaluate water quality. The Inventory does not integrate findings from other monitoring programs to supplement state-reported information and help portray water quality conditions nationwide. Monitoring on interstate waters is spotty and inconsistent.

<u>Performance Expectations for Regions</u>: In FY 04, EPA will make the best, most cost-effective use of monitoring data by providing a statistically valid picture of water quality. Areas of Regional emphasis is to encourage all states to use a probabilistic, science-based approach in assessing water quality and each state will decide its own design and supplement it with targeted monitoring (e.g., USGS) that gives it the information it needs to make decisions.

EPA will unify efforts of federal, state, and local agencies to collect monitoring data and strongly support State Monitoring Councils; bringing monitoring partners and stakeholders in the state together to plan and share data. Areas of Regional emphasis is to focus on establishment of an additional local watershed monitoring consortiums, for a total of 40 active Councils, which will plan and implement monitoring activities within a watershed to ensure data serve multiple purposes and are meaningful at various geographic levels (e.g., watershed, state, national).

#### (3) Performance Priority: Total Maximum Daily Loads

Currently, there are consent decrees in 22 states which directly obligate EPA to "backstop" state listing decision and establishment of TMDLs. The pace of TMDL development is projected to reach approximately 3,000 - 3,500/year, a significant increase in the annual number of TMDLs developed since 1999. Failure to backstop states and review TMDLs in a timely manner will put the Agency at legal risk.

The watershed approach may enable states to group TMDLs in the same watershed, reducing program redundancy and decreasing resource needs. The TMDL program should focus first and foremost on improving the condition of waterbodies as measured by attainment of designated uses. Success should not be measured by the number of TMDL plans completed and approved, but when the condition of a waterbody supports its designated use. TMDL plans should employ adaptive implementation, a cyclical process in which TMDL plans are periodically assessed for their achievement of water quality standards and revised if necessary.

Performance Expectations for Regions: In FY 04, EPA will ensure that TMDLs are accurate and implementable, increase use of watershed management, and link water quality status to management actions. Areas of Regional performance include: Review and approve 2,800 - 3,200 State-TMDLs and EPA will establish between 200 to 300 TMDLs, following disapproval of TMDLs submitted by states; review 25-30 state Continuing Planning Processes (CPPs) and provide comments to ensure CPPs provide an effective overall framework for watershed planning and implementation; and work with states to ensure that approved TMDLs are implemented through the Clean Water SRF, Section 319, local efforts, and through other agency (e.g., USDA) watershed plans.

### (4) Performance Priority: Drinking Water Implementation

It is unlikely that by 2005 the Agency will reach its objective of 95% of the population served by community water systems receiving drinking water that meets all health-based standards in place by 1994. In FY 2003, the percentage of the population served drinking water that meets 1994 standards increased to just over 93%. As systems start reporting compliance for the standards issued in 1998 or later, this percentage will be significantly lower for those rules - estimated between 40-70%. Water systems will continue to face special challenges in implementing new drinking water standards: The proposed Ground Water Rule will require 40,000 small water systems (serving 10,000 or fewer) to protect consumers from microbial contamination and the January 2002 Long-Term Enhanced Surface Water Treatment Rule (LT1) extends the 1998 enhanced protections against *Cryptosporidium* to more than 12,000 small public water systems that serve 10,000 or fewer consumers.

**Performance Expectations for Regions:** In FY 04, EPA will focus on effective

implementation of high-priority drinking water standards. Areas of Regional emphasis will be to:

- -- Provide additional technical training workshops and assistance to 20 States in rule implementation.
- -- Increase number of States adopting 1998-or-later drinking water standards and updating primacy.
- -- Enhance small system technical and managerial capacity to comply with standards for high-risk contaminants.

EPA will provide stronger protection in small systems against microbial contaminants by expanding the nonregulatory Area-Wide Optimization Program (AWOP) designed to assist small systems in their efforts to reduce communities' exposure to microbial contaminants. Regional emphasis will be able to support the participation in AWOP of 250 additional systems, a 50% increase over the approximately 500 small systems currently participating in this nonregulatory program.

EPA will provide safer, more efficient operation of drinking water systems by increasing system evaluations/survey training to ensure drinking water systems are operating properly, a critical component of the Agency's efforts to protect the public from exposure to high-risk microbial contaminants.